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**STATE OF IOWA  
LEGISLATIVE FISCAL BUREAU**

State Capitol  
Des Moines, Iowa  
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**MEMORANDUM**

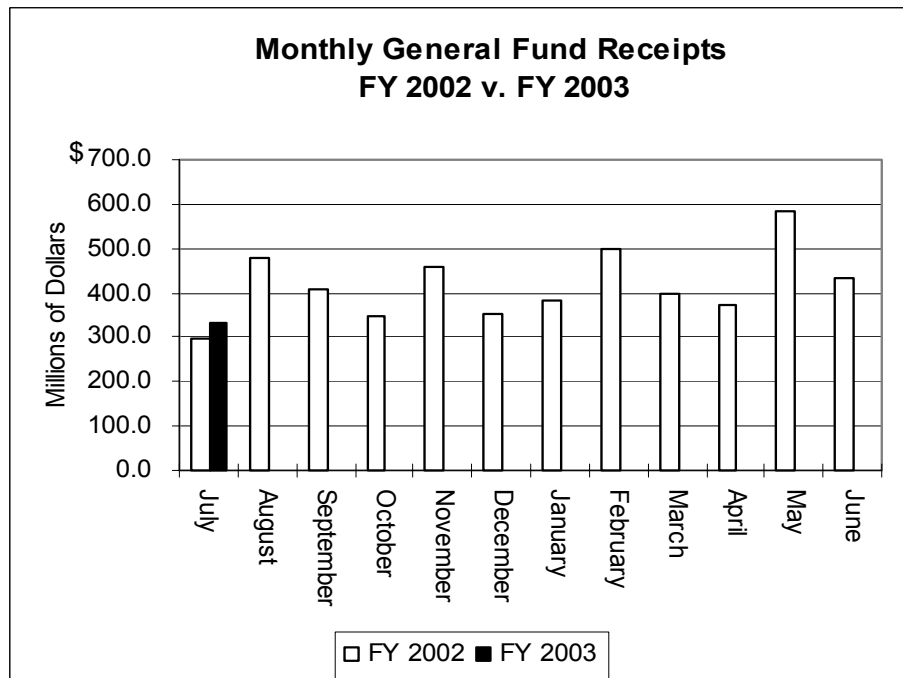
TO: Members of the Iowa Senate and  
Members of the Iowa House of Representatives

FROM: Dennis C. Prouty

DATE: August 1, 2002

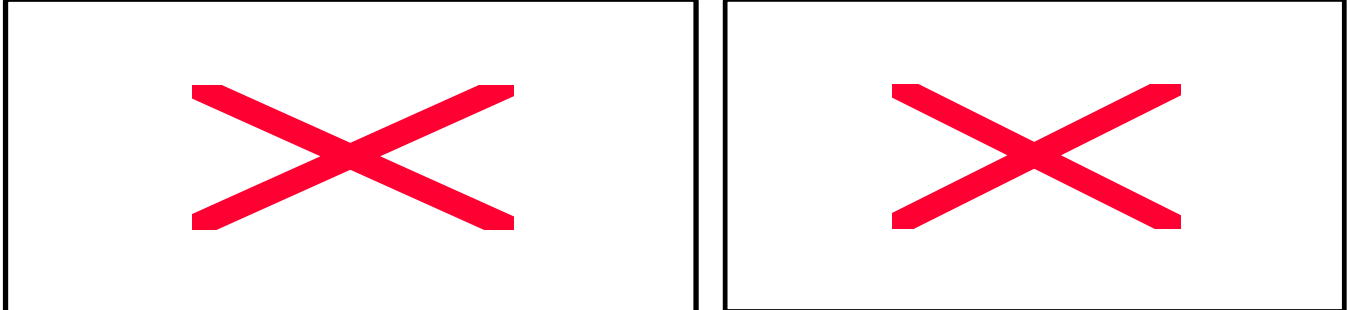
**Monthly General Fund Receipts through July 31, 2002**

The attached spreadsheet represents total FY 2003 estimated General Fund receipts, with comparable figures for actual FY 2002. These can be compared to the FY 2003 estimate (\$4.952 billion) set by the Revenue Estimating Conference (REC) on May 7, 2002. The estimate represents a decrease of \$55.2 million (- 1.1%) compared to actual FY 2002. The REC will review the FY 2003 estimates on September 6, 2002.



## **FY 2003 Compared to FY 2002**

Year-to-date FY 2003 revenue increased by \$32.9 million (11.0%) compared to FY 2002. This is above the REC estimate of - 1.1% for FY 2003.



**Gross personal income tax** revenues received in July totaled \$158.9 million, an increase of \$11.9 million (8.1%) compared to July 2001.

The REC FY 2003 income tax estimate of \$2.371 billion represents a projected decrease of 0.1% compared to actual FY 2002.

The Chart above compares monthly personal income tax receipts for FY 2002 with FY 2003.

**Sales tax** revenues received in July totaled \$73.1 million, an increase of \$3.6 million (5.2%) compared to July 2001.

The REC estimate for FY 2003 sales tax receipts is \$1.459 billion, which represents an increase of 0.4% compared to actual FY 2002.

The Chart above compares monthly sales tax receipts for FY 2002 with FY 2003.

**Use tax** revenues received in July totaled \$25.7 million, an increase of \$6.1 million (31.1%) compared to July 2001.

The REC estimate for FY 2003 use tax receipts is \$236.8 million, which represents a decrease of 0.7% compared to actual FY 2002.

**Corporate income tax** receipts in July were \$16.1 million, an increase of \$3.1 million (23.8%) compared to July 2001.

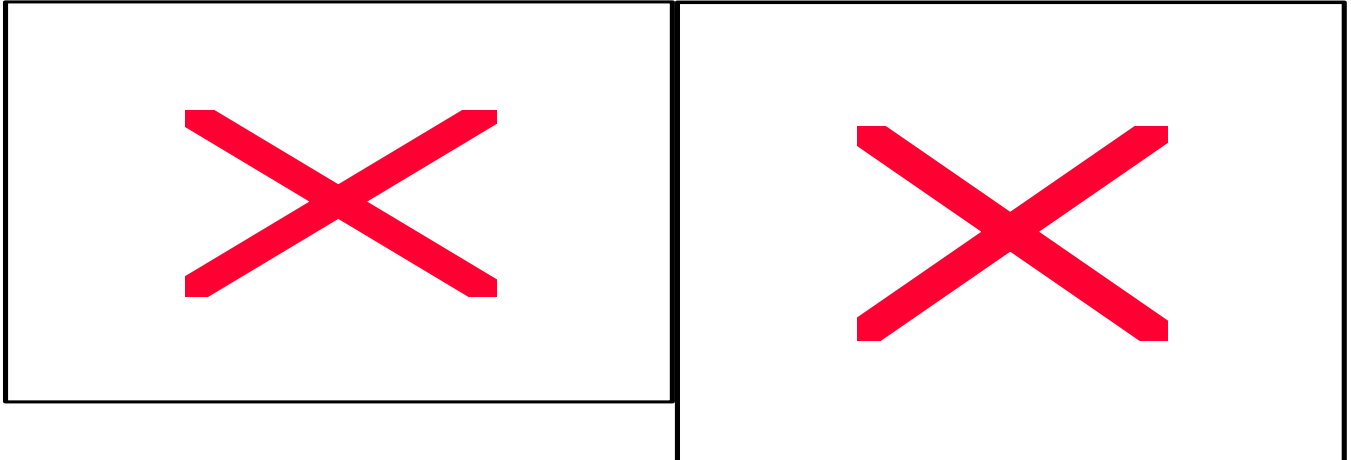
The REC projected FY 2003 corporate income tax receipts at \$202.7 million, a decrease of 8.4% compared to actual FY 2002. The actual FY 2002 decrease was 22.3%.

## **Status of the Economy**

The seasonally adjusted percent unemployed for the State in June remained unchanged at 3.6% from the adjusted May level. The unemployment rate a year ago was 3.4%. Iowa's total adjusted June employment registered at 1,563,500, up 28,900 from last year's level of 1,534,600. The number of unemployed persons in Iowa stood at 59,000 in June, which is up compared to last year's level of 53,900. The U.S. unemployment rate was 5.9% for June, higher than the May level of 5.8% and last June's rate of 4.6%.

Consumer prices increased by 0.1% in June from the previous month's level. The Consumer Price Index (CPI-U) through June 2002 was 179.9 (1983=100), which is 1.1% higher than one year ago.

The following series illustrate U.S. and Iowa unemployment comparisons and the CPI through June 2002.



Information related to State General Fund receipts is available on the Legislative Fiscal Bureau's website at:  
<http://staffweb.legis.state.ia.us/lfb/>.

